

**MONYMUSK LAND COMPANY
LIMITED**

**UNAUDITED FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2018

PAGES FOR FILING WITH REGISTRAR



MONYMUSK LAND COMPANY LIMITED

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MONYMUSK LAND COMPANY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3	24,484,289		24,407,571	
Investments	4	850		850	
		<u>24,485,139</u>		<u>24,408,421</u>	
Current assets					
Stocks		302,444		268,156	
Debtors	5	201,927		197,617	
Cash at bank and in hand		6,204		9,996	
		<u>510,575</u>		<u>475,769</u>	
Creditors: amounts falling due within one year	6	<u>(1,890,813)</u>		<u>(1,227,018)</u>	
Net current liabilities			<u>(1,380,238)</u>		<u>(751,249)</u>
Total assets less current liabilities			23,104,901		23,657,172
Creditors: amounts falling due after more than one year	7		(1,006,600)		(1,504,895)
Provisions for liabilities			<u>(2,824,594)</u>		<u>(2,858,761)</u>
Net assets			<u>19,273,707</u>		<u>19,293,516</u>
Capital and reserves					
Called up share capital	8	246,050		246,050	
Revaluation reserve	9	20,068,619		20,034,452	
Capital redemption reserve		53,358		53,358	
Profit and loss reserves		<u>(1,094,320)</u>		<u>(1,040,344)</u>	
Total equity			<u>19,273,707</u>		<u>19,293,516</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

MONYMUSK LAND COMPANY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2018

The financial statements were approved and signed by the director and authorised for issue on

18/03/2019

Archibald Grant

Sir Archibald Grant

Director

Company Registration No. SC040128

MONYMUSK LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Monymusk Land Company Limited is a private company limited by shares incorporated in Scotland. The registered office is Brodies House, 31-33 Union Grove, ABERDEEN, AB10 6SD and the place of business is Monymusk Estate, Monymusk, Inverurie, AB51 7HL

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The director is actively seeking to dispose of non core properties on the estate in order to reduce the level of borrowings. He also believes that the company will have access to sufficient funding to allow the company to continue to meet its liabilities as they fall due in the normal course of business. Consequently the financial statements have been prepared on the going concern basis.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land	Not depreciated
Leasehold improvements	Not depreciated
Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Computer equipment	25% reducing balance

MONYMUSK LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

No depreciation is provided in respect of land and buildings. While the non-depreciation of buildings does not comply with the requirements of the Companies Act 2006, the director is of the opinion that, as the buildings have a high residual value and are well maintained, any depreciation would be immaterial.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

MONYMUSK LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.8 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

MONYMUSK LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

The company operates a defined contribution scheme for the benefit of its director and employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic interest charge on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 12 (2017 - 14).

MONYMUSK LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost or valuation			
At 1 April 2017	24,261,794	574,648	24,836,442
Additions	90,499	31,126	121,625
Disposals	-	(28,500)	(28,500)
At 31 March 2018	24,352,293	577,274	24,929,567
Depreciation and impairment			
At 1 April 2017	-	428,871	428,871
Depreciation charged in the year	-	44,004	44,004
Eliminated in respect of disposals	-	(27,597)	(27,597)
At 31 March 2018	-	445,278	445,278
Carrying amount			
At 31 March 2018	24,352,293	131,996	24,484,289
At 31 March 2017	24,261,794	145,777	24,407,571

Land and buildings were last revalued on 8 May 2013 by DM Hall, chartered surveyors and independent valuers not connected with the company, at £23,970,000 being on an open market basis. The valuation conforms to RICS valuation - Professional Standards. The director is of the opinion that the current carrying value does not differ materially.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2018 £	2017 £
Cost	2,507,836	2,417,337
Accumulated depreciation	1,926,283	1,926,283
Carrying value	581,553	491,054

4 Fixed asset investments

	2018 £	2017 £
Investments	850	850

MONYMUSK LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

4 Fixed asset investments (Continued)

Movements in fixed asset investments

Investments
other than
loans
£

Cost or valuation

At 1 April 2017 & 31 March 2018

850

Carrying amount

At 31 March 2018

850

At 31 March 2017

850

5 Debtors

Amounts falling due within one year:

2018
£

2017
£

Trade debtors

46,171

66,166

Other debtors

155,756

131,451

201,927

197,617

6 Creditors: amounts falling due within one year

2018
£

2017
£

Bank loans and overdrafts

1,542,548

898,850

Trade creditors

228,537

252,451

Other creditors

119,728

75,717

1,890,813

1,227,018

The aggregate amount of creditors included above for which security has been given is £1,006,600 (2017 - £919,806). Security for the bank borrowings comprises standard security over Monymusk Estate and a floating charge over all company assets and security for the finance leases is over the relevant asset.

7 Creditors: amounts falling due after more than one year

2018
£

2017
£

Bank loans and overdrafts

977,811

1,477,811

Other creditors

28,789

27,084

1,006,600

1,504,895

MONYMUSK LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

7 Creditors: amounts falling due after more than one year (Continued)

The aggregate amount of creditors included above for which security has been given is £1,006,600 (2017 - £1,504,895). Security for the bank borrowings comprises standard security over Monymusk Estate and a floating charge over all company assets and security for the finance leases is over the relevant asset.

8 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
246,050 Ordinary shares of £1 each	246,050	246,050
	<u>246,050</u>	<u>246,050</u>

9 Revaluation reserve

	2018 £	2017 £
At beginning of year	20,034,452	19,811,074
Transfers from Profit and loss account - deferred tax movements	34,167	223,378
	<u>20,068,619</u>	<u>20,034,452</u>

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018 £	2017 £
	24,418	10,305
	<u>24,418</u>	<u>10,305</u>

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2018 £	2017 £
	115,781	118,028
	<u>115,781</u>	<u>118,028</u>

MONYMUSK LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

11 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales		Purchases	
	2018	2017	2018	2017
	£	£	£	£
Other related parties	100,764	50,648	50,611	40,964
	<u>100,764</u>	<u>50,648</u>	<u>50,611</u>	<u>40,964</u>

12 Directors' transactions

During the year, the director repaid £193. The director has settled net expenses of £nil on behalf of the company. The balance due to the director at the year end was £16,607 (2017 - £16,799).

There have been sales and purchases (as disclosed above) to a sole-trader operated by the director. At the year end the balance due to the sole-trader was £14,179 (2017 - £2,624 due from).